

**ASSEMBLY BILL**

**No. 1793**

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**Introduced by Assembly Member Chau**

February 18, 2014

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An act to add Section 34176.7 to the Health and Safety Code, relating to community development.

LEGISLATIVE COUNSEL'S DIGEST

AB 1793, as introduced, Chau. Community development: affordable housing.

Existing law dissolved redevelopment agencies and community development agencies, as of February 1, 2012, and provides for the designation of successor agencies as defined. Existing law authorizes the city, county, or city and county that authorized the creation of a redevelopment agency to retain the housing assets, functions, and powers previously performed by the redevelopment agency, excluding amounts on deposit in the Low and Moderate Income Housing Fund.

This bill would require the California Housing Finance Agency, on or before July 1, 2015, to conduct a request for proposals to identify up to 6 nonprofit organizations as being eligible to accept responsibility, for enforcing the affordability deed restrictions on homeownership units of a former redevelopment agency, from a city, county, city and county, or housing authority. The bill would authorize a city, county, city and county, or housing authority that has elected to retain the housing assets and function previously performed by the redevelopment agency to transfer responsibility associated with enforcing the affordable deed restrictions on homeownership units to one of the qualified nonprofit organizations identified by the agency, as specified. The bill would additionally require the nonprofit organization to provide an annual

audit of below market rate units to the donating city, county, city and county, or housing authority, and would require the city, county, city and county, or housing authority to publish the audit on its Internet Web site.

Vote: majority. Appropriation: no. Fiscal committee: yes.  
State-mandated local program: no.

*The people of the State of California do enact as follows:*

1 SECTION 1. Section 34176.7 is added to the Health and Safety  
2 Code, to read:  
3 34176.7. (a) On or before July 1, 2015, the California Housing  
4 Finance Agency shall conduct a request for proposals to identify  
5 up to six nonprofit organizations as being qualified to accept  
6 responsibility for enforcing the affordability deed restrictions on  
7 homeownership units of a former redevelopment agency.  
8 (b) Upon identification of the qualified nonprofit organizations  
9 pursuant to subdivision (a), a city, county, city and county, or  
10 housing authority that elected to retain the housing assets and  
11 functions previously performed by the redevelopment agency,  
12 may, by ordinance or resolution adopted at a noticed public  
13 meeting, transfer responsibility associated with enforcing the  
14 affordable deed restrictions on homeownership units to one of the  
15 qualified nonprofit organizations identified by the agency.  
16 (c) A qualified nonprofit organization that has received  
17 responsibility associated with enforcing the affordability deed  
18 restrictions on homeownership units from a city, county, city and  
19 county, or housing authority, shall, on or before January 1 of each  
20 year, provide an audit of the below market rate units to the donating  
21 city, county, city and county, or housing authority. The audit shall  
22 include the number of units that have been sold to new owners,  
23 and any return on equity sharing. The city, county, city and county,  
24 or housing entity shall publish the audit on its Internet Web site.